URBAN WATERFRONT INDUSTRY

Planning and Developing Green Enterprise for the 21st Century

Symposium Report

Gene Desfor
March 1990

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by Gene Desfor

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Symposium Sponsors:

- Royal Commission on the Future of the Toronto Waterfront
- Labour Council of Metropolitan Toronto and York Region
- South East Toronto Industrial Awareness Organization
- Faculty of Environmental Studies, York University

90-05568/

Canadian Cataloguing in Publication Data

Desfor, Gene

Urban waterfront industry, planning and developing green enterprise for the 21st century: a report of the symposium held on November 16, 1989

Includes bibliographical references.

ISBN 0-662-17640-5

DSS car. no. Z1-1988-1-52-1E

1. City planning -- Ontario -- Toronto Metropolitan Area -- Congresses. 2. Waterfronts -- Ontario --Toronto Metropolitan Area -- Planning -- Congresses. 3. Industrial development projects -- Ontario --Toronto Metropolitan Area -- Congresses. 4. City planning -- Environmental aspects -- Ontario -- Toronto Metropolitan. I. Royal Commission on the Future of Toronto Waterfront (Canada). II. Title.

HT169.C32T6 1990 307.1'2'09713541 C90-098573-9

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Cat. No. Z1-1988-1-52-1E

ISBNO-662-17640-5

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Introduction

On 16 November 1989, a one-day symposium was convened to consider new ideas for developing environmentally sound industry on Toronto's Port Lands. It was organized to give people with diverse organizational affiliations the opportunity to discuss issues and possibilities for industrial redevelopment of the Port Lands. As the 21st century approaches, industry faces two fundamental challenges: globalization of business and protection of the environment. Both affect future development in the Port Lands: global business operations have a direct impact on industrial activity in the City of Toronto and, at the same time, any firm that locates in the Port Lands will have to cope with difficult and sensitive environmental problems.

This paper summarizes the main ideas discussed at the symposium and recommends procedures for advancing those ideas. It is based on a review of reports from the symposium workshops, and on a distillation of the major concepts and suggestions that were put forward in workshop discussions. A draft was circulated to all symposium participants, and reactions have been incorporated in it. Workshop discussions were based on a pre-established series of questions and, perhaps as a result, the same issues frequently came up in different workshops.

Section One of the report examines current issues, problems, and trends related to industry in the Port Lands. It briefly reviews current planning efforts and argues that industry is essential for the waterfront, despite recent trends to the contrary. Section Two focuses on the history of the Port Lands and the problems and opportunities the past has left behind. The historical focus of this section makes it clear that successful redevelopment must include careful consideration of the Port Lands' character, as it has evolved over time. Section Three details obstacles to environmentally sound industrial development and suggests possible policies to overcome those obstacles and encourage appropriate industry to locate in the Port Lands. The final section in the main body of the report contains a brief summary and recommendations to the Royal Commission on the Future of the Toronto Waterfront.

The three appendices provide detailed information about the symposium and the Port Lands, including the list of participants, the symposium schedule, and the workshop discussion questions.

Definitions

Although the geographic term "Port Lands" has no official status, this commonly used term is used to refer to all lands in the East Bayfront and the Port Industrial District (Map 1).

Industry traditionally means manufacturing, processing, and warehousing, but. there is increasing debate about whether the term should include a broader base of economic activities and employment possibilities. One reason for the wider definition is that new technologies have changed the nature of production; for example, many companies process and analyse information for manufacturers. Should they be considered part of the industrial sector? Some organizations have broadened their definition of the industrial sector to include manufacture-related information processors, while others maintain a more traditional approach. Symposium participants noted that many environmentally sound industrial activities satisfy the traditional definition of industry, but that others would require a broader one.

Environmentally sound industries are those whose products are 'friendly' to the environment or those that develop products and use technologies to protect the environment. During the symposium, a workshop suggested criteria for identifying environmentally friendly products. Such products should be:

- produced by balanced resource use -- from recycled resources or with a view of making recycling of new resources possible;

- produced with zero emission and discharge in all phases of production -- that is, produced in a closed-loop system, in which no harmful emissions or discharges are created in the air, water or soil;

- socially useful -- products must have social value;

- safely produced -- in ways that do not endanger workers' health;

• efficiently produced -- without needless waste, particularly of energy resources.

The workshop emphasized that application of the criteria must be undertaken according to a "cradle to grave" approach -- that is, one in which all links in the production process, from initially extracting raw materials, to final–goods manufacturing are environmentally sound.

1. The Need To Plan Industrial Redevelopment of the Port Lands

Toronto's Port Lands will be redeveloped in the near future. The issue is not whether the Port Lands will experience a new wave of development -- existing market forces and the expansion of Toronto's urban core area will insure that that happens.[1] Rather, the current debate is about the most appropriate uses for them and the need to plan for environmentally sound industry. Indeed, planning for redevelopment has already begun with all four levels of government having initiated planning or policies formulation processes for the area.

The City of Toronto is reviewing its Official Plan for the Central Area as part of Cityplan 1991. One aspect of that review examines central waterfront plans and the City's industrial policy. The Municipality of Metropolitan Toronto is also reviewing its Official Plan. It has already begun to take a more active role in local planning and is positioning itself to undertake a Metro waterfront plan. The Province of Ontario declared that a provincial interest exists in the Port Lands and, in accordance with the *Public Inquiries Act*, it appointed the Honourable David Crombie commissioner to inquire into and make recommendations about the waterfront and its watershed. The Province is using its Provincial interest, available to it under the *Planning Act*, "to ensure that a comprehensive

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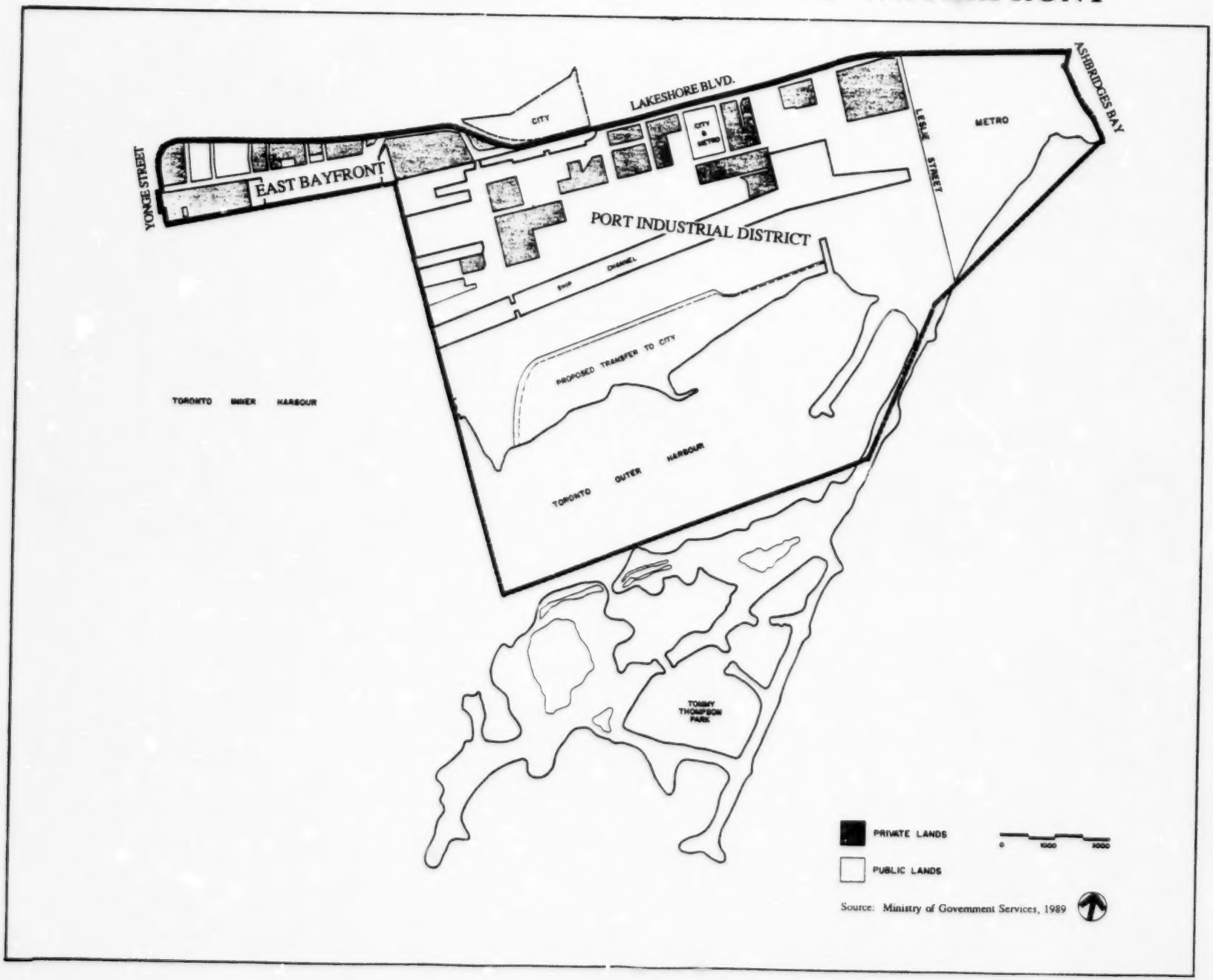
[1] It should be noted that the Port Lands are currently the subject of an environmental audit to determine the condition of the air, soil, water, noise, natural and built environment of the area. All future developments in the area will be influenced by the findings of that audit.

Map 1: PORT LANDS ON THE TORONTO WATERFRONT



strategy is developed which will benefit the entire area".[2] The Royal Commission on the Future of the Toronto Waterfront, appointed by the Government of Canada in June 1988, has been inquiring into the future of the area. With various planning efforts underway, the need to make a case for environmentally sound industry is urgent.

The Port Industrial District (Map 1) has never quite achieved the expectations which the Toronto Harbour Commissioners had when it created the area as the centrepiece of its 1912 plan. Lakefilling was begun even before the plan was approved and, by the 1930s, the Commissioners' land creation objectives had largely been met and a significant number of firms had located on the waterfront. Although there was steady growth of cargo tonnage travelling through the Port from the 1930s to the 1950s, a concomitant surge of industrial development activity never materialized. The opening of the St. Lawrence Seaway in 1959 invigorated the Port for a number of years, but it could not obscure the fact that industry on the waterfront was in trouble.

By the 1970s, industry in the Port Lands was experiencing particularly difficult times: firms were moving or closing down, leaving large tracts of under-utilized land. Significant acreage was and is used for storage of salt and petroleum and for truck parking, neither of which generates many jobs.

In 1988, total employment in the Port Lands was estimated at 9,700, of which 27 per cent is in manufacturing jobs and 47 per cent was in the office sector (finance, real estate, business services, government, etc.).[3] But it has been estimated that the area has the potential to support more than 50,000 jobs.

The decline of industrial activity in the Port Lands reflects broader trends in the economy of Toronto and other North American cities: since the 1950's, industrial activity in established urban areas has declined in relative importance. The City of Toronto lost more than one-half its industrial employment -- more than 50,000 jobs --between 1950 and 1980. In the 1980s, the level of industrial employment stabilized, but the manufacturing

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[2] Government of Ontario, "Declaration of Provincial Interest: Toronto Waterfront Lands", October 17, 1989.

[3] City of Toronto, special tabulation using Metropolitan Toronto Planning Department, *Employment, Land Use, Assessment* Data File.

sector is still on the decline: the City has lost about 8,000 jobs since 1983. In 1985, about 22 per cent of Metropolitan Toronto's labour force was engaged in manufacturing and warehousing activity, down from more than 28 per cent in 1981. Other North American centres have experienced a long-term decline in manufacturing activity.

At the same time, the information processing sector has grown substantially: between 1971 and 1981, 38 per cent of all employment growth in the City of Toronto took place in the community, business, and personal services sector, the region's largest employer. (The City of Toronto reported that in 1981, 55 per cent of the region's labour force was engaged in activities whose primary functions were producing, processing, and distributing information.[4])

In addition to responding to general economic and spatial trends, waterfront industry has its special characteristics. In the last decades of the 19th century and the early part of the 20th, a variety of industrial firms located near ports so they could bring in raw materials or distribute finished products by ship. Port areas had a comparative advantage over inland site: transportation costs were reduced to a minimum for the movement of heavy or bulky goods. Although individual firms (e.g., Redpath Sugars) still locate on the waterfront to take advantage of economical transportation, technological innovations in shipping and in other transportation modes have reduced the types of enterprises for which the Port remains a particularly advantageous location.

These recent trends in industrial location might lead to the conclusion that land values in the Port Lands would be very low. Although low land values may have been prevalent in the past, the opposite is now true: values are so high they threaten to squeeze industry out of the Port Lands. If a site's use were determined by its market value then most of the East Bayfront would now be precluded from industrial redevelopment. Intensified and expanded use of Toronto's urban core for commercial, retail, entertainment and residential activities has brought increased speculation that the Port Lands will not maintain its industrial zoning. The dire housing situation in the Toronto area has led to calls to use the Port Lands for residential development, and a number of plans (including *Bold Concept II*) recommend major redevelopment for non-industrial purposes.

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4 City of Toronto, *Quinquennial Review: Overview Report,* City of Toronto, 1986, p.21.

Despite these recent trends, the Port Lands should be redeveloped for a new generation of environmentally sound industry because:

- current land values in the Port Lands have been distorted by hoped-for changes in permitted uses;

- and other important factors, which may not influence market value (e.g., the need to have industry as part of a diversified economy), are crucial to a healthy economy and a strong social fabric.

In other words, the best use of the Port Lands is for industrial activity, regardless of market signals to the contrary. There are five basic reasons why:

- First, the City of Toronto needs a healthy industrial sector that will contribute to the capacity of the region to create wealth and continued economic growth. To remain competitive, the local economy must maintain its existing firms and attract new growth industries.

- Second, manufacturing involves more and larger linkages to other productive activities within the region, so that when industry grows, it generates other economic activity -- the multiplier effect.

- Third, the loss of industry within a municipality leads to increased difficulty in managing the local economy. A diversified economy provides stability when there is a decline in a particular sector and has the capacity to recover more readily than a highly specialized economy. Moreover, economic diversity helps ensure a wide variety of occupations for a diverse workforce.

- Fourth, experience shows that, once industrial lands are rezoned, they are not returned to industrial use. When industrial land is lost, future opportunities are eliminated.

- Finally, the presence of industry with its characteristic well-paying jobs and good employee benefits helps prevent a decline in the diversity of socio-economic groups able to use the City.

Why should the industrial area -- once the need for one is accepted -- be located in the Port Lands? The reason is that, quite simply, the Port Lands are the only remaining site in the City that can be developed as a large, comprehensively planned industrial area. Other industrially zoned lands are too small, could not provide expansion opportunities or have existing uses that make them unsuitable.

If the need for industry is accepted and the Port Lands are acknowledged to be the best site, why should there be a specific emphasis on environmentally sound industry? There are several reasons.

Caring for the environment is now recognized as a responsibility of all sectors of society and the environment can no longer be subjected to uses that endanger the future of all society. The industrial sector produces goods and services by transforming resources into products useful to society; linkages between industry and the environment are pervasive. Therefore, it is in industry's own best interests to find ways to create wealth while sustaining the quality of the environment. Industries that do so will survive, while others will not be able or be permitted to exist. Already, polluting companies face enormous clean-up bills and the increasing likelihood of prosecution.

The 'greening' of industry has already begun: Loblaws has demonstrated that consumers are sensitive to environmental issues, and that green products make good business sense. (In just four weeks, the company sold $5 million worth of products identified as environmentally safe.) Manufacturers are producing more green products than ever before, with claims their products are good for, or at least not detrimental to, the environment.

The Port Lands could be the site of well-planned and environmentally sound industry.

2. *The Port Lands: A Sense of Place*

The process of redeveloping the Port Lands should include a careful consideration of the area's history. This would aid in identifying soils contaminated by firms no longer on site, and it would help in determining important features of the built landscape that should be preserved. The Port Lands' history was introduced to the symposium with a slide presentation which showed images of the area as it currently exists and from the past. Although a complete history of the Port Lands is beyond the scope of this report, a recent publication of the Royal Commission on the Future of the Toronto Waterfront, *A Selected Bibliography on Toronto's Port and Waterfront*, provides a carefully chosen collection of references.[5]

During the symposium, a number of participants in different workshops remarked that the Port Lands suffers from an "image problem": the area is associated with dirty, noisy, foul-smelling, and sometimes unsafe industry. Two firms come to mind: the first, which is now out of business, smashed cars into bits of shredded metal, while the second, still in operation, is a rendering plant that emits disgusting smells.

The image problem is not new: when the Toronto Harbour Commissioners reclaimed what became the Port Industrial District from marsh lands and the deeper waters in Ashbridge's Bay as part of its 1912 waterfront plan, it wanted both to create additional industrial and commercial space and to rid the City of a foul smelling, and unhealthy area. Contemporary newspapers derided the marsh lands as a "malarial swamp...teeming with pestilence and disease", and called it a "bullfrog pond".[6] An engineer for the THC commented that the waters of the Bay were too thin to walk on but too thick to swim in. The area was thought to be a cesspool because sewage drained directly into its waters. Earlier, waste from as many as 4,000 cattle, from Gooderham and Worts' dairy and beef-fattening yards, drained directly into the marsh lands.

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5 Roy Merrens, *A Selected Bibliography on Toronto's Port and Waterfront*, Working Paper No. 1, Canadian Waterfront Resource Centre, Royal Commission on the Future of the Toronto Waterfront, 1989.

6 Quoted from Michael Moir, Memorandum November 24, 1986, Toronto Harbour Commissioners.

By the mid-1920s, much of the THC's lakefilling had been completed and the area transformed, while the Commissioners heralded its new Eastern Harbour Terminals and promoted the sale and lease of "Unsurpassed Industrial Sites". When finished, the Eastern Harbour Terminals were to be about 526 hectares, of which 276 were to be industrial sites, 129 for parks and recreation, and the remainder for streets, railway sidings, public docks, and improved waterways. In 1931, the THC was able to proclaim it had achieved an "enormous increase in waterborne trade of the port" and an "ever-increasing annual addition to the revenue of the City from general taxes".[7]

Although the Commissioners had trouble finding occupants during the 1920s, by 1931 69 firms had located in the industrial area and had invested upwards of $33,500,000 in land, buildings and equipment. Among the firms located in the Eastern Terminals were: British-American Oil Co., McColl-Frontenac Oil Co., Imperial Oil Co., Sun Oil Co., Shell Oil of Canada, Dominion Boxboards Ltd., Canadian Paperboard Co., Victoria Paper and Twine Co., Hamilton Bridge Co., Baines and David Steel Ltd., The Canadian Ice Co., Link-Belt Ltd., Canadian Patent Leather Co., W. Harris & Co., E. Fielding & Son, The Canadian Coal Co., The Dominion Tar & Chemicals Ltd., Warren Bituminous Paving Co., and Canada Cement Co.

Current attempts at redevelopment now face problems inherited from the past. Among them is private ownership of waterfront lands.

Shortly after it was established in 1911, the Toronto Harbour Commissioners obtained ownership of virtually all the City waterfront lands which, almost from its inception, it began selling. In 1917, in a decision approved by City Council, it sold almost 1.6 hectares of land to Imperial Oil Ltd. Although the site was land which did not border on a dock wall, the decision did, nevertheless, establish the principle that selling publicly owned waterfront land was permissible. In the more than 75 years of its existence, the THC has sold a considerable amount of its land; as recently as 1987, it sold about 3.6 hectares of prime, water's edge property at Marine Terminal 27 to the Avro Corporation for $24 million. The THC has now reversed its former policy and has decided not to sell any more land.

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7 Toronto Harbour Commissioners, *Facts Concerning Toronto Harbour*, 1931, Toronto Harbour Commissioners, 1931.

Another inherited problem is the contaminated soil in the Port Lands, a problem which has long been recognized -- although its extent and magnitude remain to be determined. There are at least two different sources for the contaminated soil: the first from materials used to create the land during lakefilling operations, and the second from industrial activity. As is evident in the list of companies above, serious contamination could have resulted from material storage or from plant emissions and discharges. Many of these firms no longer operate in the Port Lands, but historical records could be used to determine where companies were located and, in some cases, where and how materials were stored.

3. Future Redevelopment of the Port Lands: Environmentally Sound Industry

Each of the symposium's four workshops considered different aspects of developing environmentally sound industry on the waterfront. A number of questions were provided to the workshops to guide their discussions (see Appendix 3 for a list of these questions). The notes and tape recordings of the sessions were reviewed and the information from the different workshops integrated and organized into four categories: problems of waterfront redevelopment, public policy for waterfront redevelopment, possible industries for waterfront redevelopment, and the recycling industries.

The morning session focused on problems associated with the development of environmentally sound waterfront industry, and the afternoon session on solving those problems.

Problems of Waterfront Redevelopment

Redevelopment of the Port Lands for environmentally sound industry will not be easy; the problems identified by workshop participants were:

1. Uncertainty about government plans was cited as a major concern: governments at all levels are wavering in their apparent commitments to industry on the waterfront and

municipal governments are perceived as having weakening political will to maintain industrial zoning. The provincial and federal governments are considering housing, the Olympics, and Expo 2000 in the Port Lands. Firms will not decide to locate on the waterfront as long as governments' plans are seen as indefinite and unpredictable.

2. The myriad agencies from which permission is required for development approval is a significant problem for industry. The often cited jurisdictional quagmire on the waterfront is felt directly by any firm wishing to locate or expand its operations in the Port Lands.

3. Transportation facilities and services to the Port Lands are not satisfactory for movement of either materials and products or employees getting to work. Adequate public transportation is lacking.

4. Workshop participants listed environmental problems for industry locating on the waterfront. (Environmental problems have different effects on industry, neighbourhood groups, employees, and governments.)

The cost of cleaning up existing environmental conditions is likely to be expensive and the feasibility of any particular investment is uncertain because the magnitude of clean-up costs is unknown. Currently, there is also uncertainty about who will pay clean-up costs. Remedying contaminated soil was cited as an example of environmental clean-up costs fraught with uncertainty: one participant suggested that the cost of cleaning up land might exceed its market value.

One member of a workshop asked who decides the extent to which remedial action is necessary. A respondent said no existing process exists for the public to be involved in discussing environmental clean-up. Community groups are deeply concerned about environmental conditions in the Port Lands, and they are not pleased with the possibility of having more industrial development to make the currently unacceptable situation worse.

In addition to possible contamination, the land may have structural problems: it was created by lakefilling, and considerable extra costs may be required to construct building foundations. The recent San Francisco earthquake demonstrated the inherent difficulty of building on landfill.

Air quality in the Port Lands is another problem when industry is considering location sites: the presence of foul odours and high levels of dust were mentioned as being problems.

Workshop participants articulated the problem of the lack of aesthetic attractiveness of the Port Lands in various ways: some said industries want attractive locations for their plants and the Port Lands is not appealing. Others mentioned the sewage treatment plant and the Hearn electric generating station as examples of offensive industry or said the area simply lacks appeal.

Noise pollution from industrial activity and from trucks was mentioned as a problem.

Finally, there was concern that much of the Port Lands is apparently located on a flood plain, and further development may be restricted.

5. Ownership of land in the Port Lands is either by leasehold or freehold, and security of tenure may be a problem for industry. One participant suggested that selling waterfront land to private interests may not be the most desirable option but it may be necessity to attract industry to the arena.

6. There is a lack of adequate infrastructure in some sections of the Port Lands: in particular, the area south of the Ship Channel is not properly serviced with water and sewage facilities.

7. The Port Lands lack such amenities as restaurants, and winter conditions contribute to the difficulty of attracting workers to the area.

8. Interestingly, the lack of affordable housing in or near the area was described as a difficulty for industry. Affordable housing near the Port was seen as a useful way of keeping labour costs lower without eroding standards of living, and therefore a benefit to industry.

9. Finally, there is the cost of land. Considering the litany of problems already mentioned, the high cost of land would not seem to be an obstacle for industrial development. However, current land prices make it difficult, if not impossible, for many industries to locate in the Port Lands. Indeed, the increased land value provides an incentive for an industrial landowner to sell and leave the Port Lands. These high values may result from potential users bidding up land prices, or from investors betting that non-industrial uses will be permitted in the not-too-distant future. The existence of high land values is, no doubt, related to the perception that governments lack the political determination to maintain the Port Lands for industry helps drive up values.

Public Policy for Industrial Redevelopment on the Waterfront

Four topics were discussed in the workshops: the need for a commitment to industry in the Port Lands, the nature of a Port Lands development agency or corporation, stabilizing land values in the Port Lands, and government participation in recycling industries.

1. A Commitment to Industry in the Port Lands

Although many current public policy statements support industry on the waterfront, workshop participants said a new and vigorous commitment from all levels of government is needed. The Province of Ontario, in particular, was identified as a level that must "be on board" before any industrial redevelopment can take place. The Province's apparent support for housing in the Port Lands was a concern to some symposium participants, as was its promotion of the Olympic Games and Expo 2000.

The City of Toronto's Central Waterfront Plan calls for industry in the Port Lands and a recently adopted by-law requires Council to consider a study of an "area" before an industrially zoned site within that area is designated for non-industrial uses. Nevertheless, experience indicates that industrially zoned lands can quickly be redesignated for other uses.

A participant pointed out that, in addition to the need for a clear, unambiguous statement of government policy, other organizations must be willing to commit themselves to making industry work on the waterfront.

2. The Nature of a Port Lands Development Agency or Corporation

When public policy for industrial redevelopment of the waterfront is formulated, the controversial issue of which agency or corporation will undertake development will have to be resolved. As indicated earlier, one of the most difficult problems of waterfront redevelopment is the jumble of government agencies and special-purpose bodies with jurisdictional authority. Jurisdictional problems will require legislative and institutional changes, including reorganization, reconfiguration or re-establishment of an existing development agency or corporation.

A variety of opinions were expressed in the workshops on the organization and mandate of such a development agency; while there was no consensus, a number of constructive ideas were presented and discussed. The starting point was the assumption that recommendation 3.1 of the Interim Report of the Royal Commission on the Future of the Toronto Waterfront, concerning reorganization of the Toronto Harbour Commissioners, would be implemented. It says: "The THC's responsibility, jurisdiction, and mandate to operate the Port of Toronto should be clearly separated from planning or development of lands that do not serve the Port function on the waterfront...[8]"

One workshop identified groups having a major interest in such a development agency, including the four levels of government (the City of Toronto, the Municipality of Metropolitan Toronto, the Province of Ontario, and the Government of Canada), the Toronto Harbour Commissioners, the development industry, current industry in the Port Lands, community groups, labour, and environmental groups.

It was suggested that one agency should be responsible for completion of an overall plan for the Port Lands, after which implementation would be undertaken by a development corporation. A participant said, "[this] independent agency would have a Board of Directors with equitable representation of all interests; [it would be] locally controlled with a development mandate to implement a publicly agreed upon agenda which includes things like industrial development, environmental considerations, etc." A Port Lands Development

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[8] Royal Commission on the Future of the Toronto Waterfront, 1989, *Interim Report*, p.118.

Agency with its own staff and Board of Directors was suggested.

Discussion turned to which level of government should control the new development agency; some people argued that the Port Industrial District is a regional concern and should therefore be controlled by a regional level of government (Metro Toronto), while others said the development corporation should be controlled by the City of Toronto. The City has the most at stake, and the people who are most affected by the situation should control it. Many favoured a middle ground, in which the corporation would be a joint venture between the City and Metro.

It was suggested that a revamped THC could be an appropriate development agency; it would be reorganized to include representatives from the City, Metro Toronto, and the Province. One participant suggested it should consist of private citizens committed to serving the organization.

Alternatively, it was suggested was that the Toronto Economic Development Corporation (TEDCO) be given a new mandate, land, and other resources to undertake waterfront development. TEDCO could have a special committee, with representatives from the community, which would identify environmental friendly products that might be produced by companies on the Port Lands. However, some participants expressed concern that TEDCO would create more, rather than fewer, regulations and headaches for industry. Discussion of public ownership of land by the City had both support and opposition: some participants thought the City should own the land, while one expressed fear at the prospect of public ownership.

A mandate for the development agency was also discussed in some of the workshops. There was initial concern about the process by which the mandate would be determined, and one participant suggested that a public forum be established to define the mandate of such an agency. The Royal Commission on the Future of the Toronto Waterfront was mentioned as an organization that might possibly conduct a public inquiry.

Several important but unresolved questions were posed about the agency's mandate: what are the lands not required for Port purposes, and will they be available for redevelopment? Should the agency be responsible for cleaning up the Don River? Should

the intent of the agency be to get "top dollar" for the sales or rental of its land? Further discussions and an appropriate forum are needed to resolve these questions.

On a few occasions reference was made to the need for the mandate to allow for comprehensive planning of the Port Lands. People stressed that a comprehensively planned area would be more attractive to investors.

Other suggestions were made concerning aspects of a possible mandate: it should focus on environmental planning concerns; a local agency would help industry understand and implement environmental regulations. The powers of the development agency should not supersede the *Ontario Planning Act*. Government should continue to invest in research and development to identify appropriate uses for the Port Lands. The agency must be committed to industrial development in the Port Lands.

The final point made about the development agency was that it must be accountable. There was some discussion about the meaning of accountability and about the body to which the agency should be accountable, but workshop participants were clear on the need for accountability.

3. Stabilizing Land Values in the Port Lands

Perhaps the most devastating problem for industrial redevelopment in the Port Lands is the increasing price of land. Although industrial zoning is intended, in part, to maintain land values industry can afford, it has not prevented land prices from rising rapidly. Workshop participants believe that industry in the Port Lands is not viable with current land values, but if land could be held at affordable prices, it would become feasible.

There was support among workshop participants for local governments to make clear and unambiguous statements about the long-term retention of industrially zoned land in the Port Lands in order to help convince investors that it would not be converted to alternative uses and to reduce its speculative value.

The issue of 'bonusing' was raised: under section 112 of the *Municipal Act*, a city is prevented from giving aid to companies to locate or expand their operations. The law is

intended to prevent municipalities from engaging in destructive economic warfare in an attempt to attract companies to locate in their areas. Some participants felt that selling or leasing Port Lands at other than market value would comprise bonusing. Others contended that renting out these lands at fair industrial prices that eliminated speculative, non-industrial uses was not bonusing. They suggested that the Province designate the Port Lands as a Community Improvement Area designed to assist the City to retain its industrial base. Revisions to the *Municipal Act* in 1986 and 1989 attempt to clarify what kinds of assistance a city may give to businesses. There appears to be some scope for municipal assistance, but additional research and analysis is required to gain a fuller understanding and detailed interpretation of the legislation[9].

It was also suggested by a participant that an Industrial Development Fund be established "which municipalities can use to purchase industrial lands, to create municipally owned industrial parks and to purchase and renovate older industrial buildings to lease at relatively low prices".

4. Government Participation in Recycling Industries

One workshop focused on the desirability of government participating in recycling industries, and ways in which it might do so. In general, there was little enthusiasm for government participation in these industries: publicly owned firms would have an unfair advantage over those that were privately owned. The physical plant might be built by government, but it should be privately operated.

There was some discussion of the relative efficiency of public-sector versus private-sector employees: in cases where private industry was unwilling to undertake recycling, the public sector might be involved in running a plant.

Governments should be involved in funding recycling research and development projects. Governments should use their purchasing power to create a demand for recycled products. Given their purchases of vast quantities of goods, governments have the ability to create sufficient demand for a product so that production becomes feasible.

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[9] Ontario, *Municipal Act*, Rev. Stat. Ont. 1986, as amended in 1989, c.24, June 1989.

Consideration was given to the merits of having governments adopt standards which would require products to contain a certain percentage of recycled materials. It was argued that if governments set these standards, industry will meet only the minimum requirements. Alternatively, if market prices were to reflect an accurate valuation of resource use, then industry could adjust its production processes in accord with market signals and would not need government regulations.

Possible Industries For Waterfront Redevelopment

There was support in the workshops for the Port Lands to be used as a demonstration centre for environmentally sound industry. Firms locating there would have to satisfy rigorous environmental production standards; they would have to produce products not harmful to the environment, or those used to clean up or protect the environment. Workshop participants thought this concept could attract financing from higher levels of government because the area would represent research and development for Canadian industry. This financing mechanism might compensate industries for stringent environmental standards and controls.

A number of criteria were suggested for identifying industries that would be appropriate for the waterfront:

- water-dependent or water-related industry for which a waterfront location would be necessary or highly desirable, usually because of the need for water-borne transportation;

- high value-added industry that produces goods with low material and production costs in relation to revenues received;

- labour-intensive industry;

- urban- and future-oriented industry that produces products for other urban firms and has prospects for long-term success;

- market-oriented industry that can take advantage of the large market in the Toronto area;

- socially useful industry that produces products that contribute to the well-being of society or replaces products detrimental to the environment.

Workshop participants proposed industrial categories that might be appropriate for the Port Lands. The extent to which any particular firm within one of the suggested categories uses an environmentally sound production process would have to be evaluated on an individual basis. A participant pointed out that although firms suggested could be environmentally sound, some establishments within the suggested categories currently are not. The suggested industry categories are: pollution abatement, marine-related industries (particularly recreational boat building and repairs), biomedical supplies, film, construction-related industries (especially those developing innovative construction technologies), and industries making energy-efficient appliances.

One workshop proposed a research facility for environmentally sound industry: in addition to scientific research, it could promote environmentally sound production technologies and assume an educational role. That educational role could take several forms. First, the research body could establish a data base for environmental protection industries and set up an information exchange to link environmental technologies around the world. The centre might also train environmental professional -- for example, environmental engineers and operating technicians. It could help develop educational materials and curriculum aids to meet the need for trained personnel in water-quality management, waste water treatment facilities, water treatment and distribution systems, potable water technology (especially in the Third World), residue treatment, and oil extraction from sludge. Although the Canadian Centre for Inland Waters does work in this area, it is just beginning to scratch the surface of the subject and considerably more research and development needs to be done.

The Recycling Industries

Although reference has been made to discussions in the recycling workshop, there were other significant issues that need to be summarized.

Recycling can involve collecting, sorting, and processing activities, and it was pointed out that all industries have the potential to recycle previously used resources. In many industries, however, considerable research remains to be completed before that potential can be achieved.

Among the waterfront industries that currently engage in significant amounts of recycling are: construction and demolition, Ontario Hydro's flue gas desulphurization, photographic industries, printing inks, composting (food from residential and commercial uses), the electronics industry (precious metal recovery), scrap metal recovery, and textile industries.

The workshop discussed the possibility of a recycling research and development centre on the waterfront; it might function as part of a business park and could facilitate development of 'incubator' recycling industries. Administrative costs of these new industries could be shared among firms in the centre. The research facility would need a reception area -- a building to serve as an interpretative centre devoted to environmental awareness -- and co-operative facilities such as shared waste reduction or treatment equipment.

4. Summary and Recommendations

The symposium discussions left participants with the clear and distinct feeling that progress had been achieved. Difficult issues had been examined from positions that were not always similar, but which, nonetheless, were compatible. There was a great deal of optimism that an important first step had been made in establishing environmentally sound industry in the Port Lands and that it will serve as the basis for continued work.

The deliberations made it clear that further study is needed on the following topics:

1. Which environmentally sound industries would be appropriate for the Port Lands.

Several industries were mentioned as possibly appropriate for the Port Lands. Further investigation of these possibilities should be undertaken to determine the extent of their soundness environmentally, their suitability for the waterfront, and their economic viability.

2. How to establish and maintain industrial land values in the Port Lands.

If industrial redevelopment in the Port Lands is to be successful, then high land values must be reduced. Suggestions were made about possible mechanisms for maintaining industrial land values; however, more research is required to resolve legal complexities and to design innovative programs for maintaining or reducing current land prices.

3. How to plan and develop the Port Lands.

One of the strongest advantage of the Port Lands is that approximately 243-364 hectares of central waterfront land could be planned and developed as a unit. The sheer size of this parcel of land can be appreciated by comparing it to Harbourfront, which is less than 40 hectares and the Railway Lands, which are about 81 hectares. In other words, a Port Lands redevelopment project would be double or triple the combined acreage of Harbourfront and the Railway Lands -- an enormous opportunity.

Considerable work is required to identify an appropriate institutional arrangement for planning and development. In addition, the mandate of any body to which planning and development was entrusted would have to include the principles and characteristics discussed above.

The following procedure should be established in carrying out the investigations previously recommended.

1. The draft of this report should be circulated to all symposium participants, with a request for comments and questions.

2. An advisory group on urban waterfront industry should be established, to include representatives from industry, labour, government, environmental organizations, and community groups. It would advise on investigative strategies and would convene a second symposium, which was suggested during the closing session of the November 1989 meeting. The group would also guide research in support of the symposium.

3. A second symposium on urban waterfront industry should be convened in spring 1990.

4. A report of the second symposium, and its supportive research, should be submitted to the Royal Commission on the Future of the Toronto Waterfront for use in the Commissioner's second interim report.

APPENDICES

Appendix One: List of Participants

Appendix Two: Schedule of Symposium

Appendix Three: Workshop Discussion Questions

APPENDIX ONE:

URBAN WATERFRONT INDUSTRY:

Planning & Developing Green Enterprise for the 21st Century

P.O. Box 4111, Station "A"
Toronto, Ontario
M5W 2V4

PARTICIPANTS

Workshop 1: Environmentally Friendly Products & Production Technology

Leader: Sarah Miller - Canadian Environmental Law Association
Recorder: Mary Simpson - York University, Faculty of Environmental Studies

Ken Albright - Ontario Ministry of Trade and Technology
Kevin Brady - Ontario Round Table on Environment & the Economy
Craig Boljkovac - Pollution Probe
Massimo Carbone - Environmental Technologies Investment Inc.
Pat Delbridge - National Round Table on Environment & the Economy
Bob Dematteo - Ontario Public Service Employees Union
Jennifer Dickson - Metropolitan Toronto, Office of the Chairman, Economic Development Division
Rosanne Hahn - Ontario Ministry of Trade and Technology
Bruce Jank - Canadian Centre for Inland Waters
David MacDonald - Ministry of Parliament for Toronto - Rosedale
Dan McLean - Central Soya of Canada
John Richmond - Ontario Waste Management Corporation
John Shepherd - Toronto Board of Trade
Anne Swarbrick - Labour Council of Metropolitan Toronto and York Region

Workshop 2A: Planning & Developing Waterfront Industry

Leader: Tom Chandler - South East Toronto Industrial Awareness Organization
Recorder: Margaret Johnston - Royal Commission of the Future of the Toronto Waterfront

Jim Bradley - Municipality of Metro Toronto
Joe D'Abramo - City of Toronto, Planning & Developing
Bob Goodings - Toronto Board of Trade
Roger Hollander - Metropolitan Toronto Councillor
Bob Howald - Toronto Economic Development Corporation
John McMillan - Metro Toronto - Economic Development Division
Michael Lyons - IMPACT Consultants
Sean Meagher - Councillor Marilyn Churley's Office
Brian O'Keefe - Canadian Union of Public Employees
Eli Ophek - Waterfront Development, Province of Ontario
Robin Sears - Ontario NDP

Workshop 2B: Planning & Developing Waterfront Industry

Leader: Michael Goldrick - York University, Political Science Dept.
Recorder: James Flagal - York University, Faculty of Environmental Studies

Ellen Greenwood - City of Toronto, City Clerk's Dept.
Carol Kushner - South Riverdale Community Health
Dennis Lang - Toronto Harbour Commissioners
Reg Lewis - Toronto Economic Development Corporation
Bob Malvern - Ontario Hydro
Dale Martin - Metropolitan Toronto Councillor
Lynn Morrow - Metropolitan Toronto Waterfront Committee
Bill Munson - City of Toronto - Environmental Protection Office
Nimrod Salamon - City of North York, Planning Department
David Sefton Urban Development Institute
Brian Shell - United Steel Workers Association
Peter Tomlinson - City of Toronto - Economic Development Division
Linda Torney - Labour Council of Metropolitan Toronto and York Region

Workshop 3: Recycling Industries

Leader: Linda Varangu - ORTECH International
Recorder: Scott Clark - Royal Commission on the Future of the Toronto Waterfront

Mark Conway - Toronto Harbour Commissioners
Bill Glenn - Environmental Consultant
Nancy Hawley - City of Toronto - Mayor's Office
John Kis - Canadian Association of Recycling Industries
Mary Stewart - Metropolitan Toronto - Dept. of Works

APPENDIX TWO:

URBAN WATERFRONT INDUSTRY:

Planning & Developing Green Enterprise for the 21st Century

P.O. Box 4111, Station "A"
Toronto, Ontario
M5W 2V4

Schedule for November 16, 1989

9:00 - 9:05	Chair's Introduction
9:05 - 9:20	Welcoming Remarks: David Crombie and Linda Torney
9:20 - 9:45	Jeffery Stinson: Images of the Port Industrial District & East Bayfront
9:45 - 11:30	Workshops I

1. Environmentally-Friendly Products & Production Technology
2. Planning & Developing Waterfront Industry - A
   Planning & Developing Waterfront Industry - B
3. Recycling Industries

* The task of each workshop in the morning session is to define the current problems in its subject area.

11:30 - 12:30	Plenary Session -- Reporting of the workshops
12:30 - 1:30	Lunch
1:30 - 3:00	Workshops II

* In the afternoon, the workshops will focus on identifying solutions to the problems discussed in the morning session.

3:00 - 3:15	Coffee
3:15 - 4:30	Plenary -- Reporting of Workshops and Discussion
4:30 - 5:00	Summary/Closing Remarks ... David Crombie and Tom Chandler

Sponsors: Royal Commission on the Future of the Toronto Waterfront Labour Council of Metropolitan Toronto and York Region York University, Faculty of Environmental Studies South East Toronto Industrial Awareness Organization

APPENDIX THREE:

SYMPOSIUM ON URBAN WATERFRONT INDUSTRY

Questions for the Workshops

Workshop 1: Environmentally Friendly Products & Production Technologies

Morning Session:

What is an environmentally friendly product? How can criteria be established for determining whether or not a product is environmentally friendly? What are the problems involved with labelling products as environmentally friendly? Who should evaluate products to determine their environmental friendliness?

What will be the environmentally friendly products of the future? What are existing or emerging products for protecting or cleaning-up the environment and for insuring the health and safety of people in their workplace?

What products/sectors/firms are the world leaders in producing environmentally friendly products?

What industries or products are, or are likely to be, produced for cleaning-up the environment?

Afternoon Session:

What can be done so that industry which produces environmentally friendly products will locate on the waterfront? infrastructure? land values? zoning? environmental clean-up?

What are the possible roles of government (various levels), private industry and the labour movement in developing appropriate waterfront industry?

What research needs to be done to develop environmentally friendly products? Would a research and education centre concerned with these products be appropriate for the waterfront?

Workshop 2A: Planning and Developing Waterfront Industry

Morning Session:

What are the problems for industry that would locate on the waterfront?

What kinds of industry are particularly well suited for Toronto's waterfront?

What are the special requirements for locating non-polluting production technology firms on the waterfront?

Which industries/sectors have developed and are using non-polluting technologies? Are these industries appropriate for the waterfront?

Afternoon Session:

What public policies (municipal, provincial & federal) are possible for insuring that industry locates on the waterfront?

What government programs are available to assist industry to locate on the waterfront? What funding arrangements are available or can be put in place for research, education and demonstration projects for environmental industries?

What institutional arrangements are necessary for developing the waterfront? Who is best suited to develop the waterfront -- government, private sector, joint-ventures, special purpose agencies?

What can the existing waterfront industries do so that their production processes are environmentally friendly?

Workshop 2B: Planning and Developing Waterfront Industry

Morning Session:

What are the problems for industry that would locate on the waterfront?

What kinds of industry are particularly well suited for Toronto's waterfront?

Is there a case to be made for public ownership of waterfront lands and or the industries appropriate to those lands?

Afternoon Session:

What mechanisms can be implemented to insure stable land-values so that industrial activity is feasible on the waterfront?

What institutional arrangements are necessary for developing the waterfront? Who is best suited to develop the waterfront -- government, private sector, joint-ventures, special purpose agencies?

What institutional arrangements are necessary to insure the use of non-polluting production processes by industry?

Workshop 3: Recycling Industries

Morning Session:

What are the problems that recycling industries are experiencing?

Which industries are, or will be, using recycling technologies? What is the likely demand for the products of these industries? Are these industries appropriate for the waterfront?

If recycling industries were to locate on the waterfront, what would be their infrastructure requirements?

What are, and where are, the research centres for recycling technologies?

Afternoon Session:

What is required for recycling industries to locate on the waterfront?

Is there a case to be made for municipal ownership of some recycling industries?

What are the roles of government, private industry and neighbourhood groups in recycling industries?

Is it possible for research & development or education centres concerned with recycling industries to locate on the waterfront?

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